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Student Loan Authority to meet

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The Rhode Island Student Loan Authority will hold an emergency board meeting at its Warwick headquarters tomorrow morning at 8, when it plans to vote to take back its College Planning Center from a national, for-profit lender, Nelnet.

The board will consider adopting a code of ethics, said Noel Simpson, the authority's executive director.

The authority came under fire last week for the arrangement with Nelnet's Rhode Island company, New England Student Loan Authority. General Treasur-

er Frank Caprio, who is a member of RISLA's board, called on the authority to "build a firewall" between its free planning center and the for-profit company, saying the arrangement presented a possible conflict of interest.

RISLA started the free center nine years ago to help students and parents fill out college applications and financial aid forms and get unbiased advice about loans. However, after RISLA brokered a \$13-million deal with Nelnet in 2004, the private lender took over running the center, a fact that was not made clear to students and families.

Charles Kelley, former head of

RISLA and current executive director of Nelnet's New England Student Loan Authority, said Nelnet was not unfairly steering students to its loans and that the center provides competitive, low-interest rate loans to Rhode Island students.

RISLA's board has been talking about taking back the center since last fall and had decided to formally do so at a May 18 meeting, Simpson said. After news stories by The Chronicle of Higher Education and The Journal last week, the board decided to move quickly, Simpson said.

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